

FAR 19.704 and FAR Clause 52.219-9 include a detailed listing of the minimum requirements to be included in a Subcontracting Plan. A survey of DCMA Representatives conducted in May 2001 by SPAWARSSYSCOM resulted in the following list of most common errors discovered when reviewing subcontracting plans.

MOST COMMON SUBCONTRACTING PLAN ERRORS

- Goals for **each** of the required small business categories (i.e., small, small disadvantaged, women-owned small, HUBZone small, veteran-owned small, service-disabled veteran-owned small business) **not** included as required
- Calculate goal percentages incorrectly
 - If an SDB is also a WOSB, dollars should be included in **both** categories
 - Incorrectly divide by the total small business, rather than the total to be subcontracted when figuring SDB, WOSB, etc.
- Fail to explain how goals were established and justify proposed goals
 - Include goals below the required levels with no/insufficient justification
 - No explanation for why planned purchases to large business cannot go to small business (e.g., proprietary or Government directed or sole source)
- Failure to include goals for option years
- Fail to list **all** principal supplies and services areas
 - Tend to identify the items subcontracted to small business but omit purchases to large business which are required to be included
 - Include dollar amounts for the small business categories but fail to include the actual commodities or groups of commodities as required
- Omitting description of types/methods of record keeping for subcontract awards over \$100,000 (e.g., justifying why small business, VOSB, HUBZone small, SDB, or WOSB is not utilized)
- Little or no commitment to training for buyers
- No assurance that subcontracting plans, SF 294's, and SF295's will be required from subcontractors who receive awards over \$500,000

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MOST COMMON PROBLEMS DISCOVERED DURING DCMA SUBCONTRACTING PLAN COMPLIANCE REVIEWS

- Lack of upper management support resulting in poor emphasis on the small business program
- Fail to have a policy letter from the company president to all employees re: small business program
- Little or no training to buyers and others involved in the procurement process regarding small business issues/regulations/procedures
- Failure to annually update self-certifications from small business concerns
- Insufficient outreach to small business concerns
- Missing Letter of Appointment for the Small Business Liaison Officer (SBLO)
- Lack of documentation/records to support small business efforts
- System used of capturing data is faulty (i.e., can't find data, data incorrect)
- Insufficient documentation of assistance being provided to small businesses
- Do not follow subcontracting plan promises for record keeping
- Fail to have the total DoD contract value for all contracts
- Incorrect dollars reported on SF 295, Summary Subcontract Report